



Ex Parte Notice – Filed Via ECFS

March 17, 2019

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Ex Parte Meeting Notice - Connect America Fund, WC Docket No. 10-90

Dear Ms. Dortch:

On March 14, 2019, Larry Thompson of Vantage Point Solutions (VPS) met with Alex Minard, Talmage Cox, and Katie King of the FCC's Wireline Competition Bureau. Joining the meeting by phone were Doug Eidahl and Troy Eilts of VPS and Ted Burmeister of the FCC. VPS reviewed the enclosed power point presentation in the above FCC proceeding on Form 477 reporting errors and their impacts on A-CAM II offers. The following key points were discussed:

1. Broadband providers need an opportunity to analyze Form 477 reports to identify potential errors and correct them before the FCC makes key decisions on the 477 data, like A-CAM II offers.
2. Form 477 reporting errors often slow or stop broadband deployment entirely due to loss of support that could have been used to deploy broadband.
3. Some common Form 477 reporting errors include: overstating the areas of broadband coverage and the speeds provided, providers that no longer provide service or have gone out of business, and human and software errors.
4. VPS provided some short-term recommendations to correct known Form 477 errors that could be implemented prior to the A-CAM II offers. VPS proposed that the FCC allow a 30 to 45 day window to allow Form 477 corrections that would not involve a challenge process, such as:
 - a. Accept corrections from providers wanting to correct past filings made in error
 - b. Eliminate from service consideration those providers no longer in business
 - c. Correct BarrierFree's incorrect 477 data



5. In addition, VPS recommended several longer-term changes to the Form 477 process to help minimize 477 errors and maximize broadband deployment. These included:
 - a. More transparency for Form 477 filings to monitor erroneous filings.
 - b. Census blocks should only be considered served if two-thirds of the locations were served instead of current policy of one location.
 - c. Include a well-defined challenge process to help ensure 477 data is correct.
 - d. Consider audits of Form 477 reports to improve reporting accuracy and increase penalties for incorrect data.
 - e. Use FCC measured data rather than advertised speed, where possible.

Thank you for your attention to this matter. This letter is being filed via the ECFS pursuant to Section 1.1206 of the Commission's rules.

Sincerely,

Larry D. Thompson
Chief Executive Officer

Cc: Alex Minard
Katie King
Ted Burmeister
Talmage Cox

FCC Ex Parte Meeting 477 Reporting Errors and Impacts

**Report and Order, Further Notice of Proposed Rulemaking,
and Order on Reconsideration - FCC 18-176**

March 14, 2019

Larry Thompson
Chief Executive Officer



Introduction and Overview

- FCC Form 477 errors can result in many more customers without broadband as providers lose support
 - Broadband providers have little or no opportunity to identify and correct Form 477 errors
- Examples of known erroneous 477 filings
 - BarrierFree (CT, MD, NJ, NY, PA, RI, VA and DC)
 - OSS-Related (IA)
 - Mobility Fund Exercise
- Errors combined with special circumstances
 - Defunct Providers - Breeze Broadband (IA)



Opportunity to Correct Data Before Support Determinations Is Warranted

- Providers do not have adequate time to identify errors by other 477 filers impacting broadband deployment due to loss of support
 - Data not publicly available until approx year after reporting period
- VPS and its clients have uncovered filing errors in the recently available December 2017 Form 477 data
- Form 477 errors could be due to
 - Human or software errors
 - Overly aggressive reporting by a competitor



Form 477 Errors Cause Harm to Consumers and Broadband Providers

- Form 477 errors could result in:
 - A-CAM II offers that are inadequate for providing broadband
 - Hinder broadband to consumers if provider loses support when no competitor actually exists
- Customers unable to receive broadband or degradation of existing broadband network over time if provider loses needed support
- May cause unwarranted financial stress with providers which could impact customers beyond census blocks with Form 477 errors



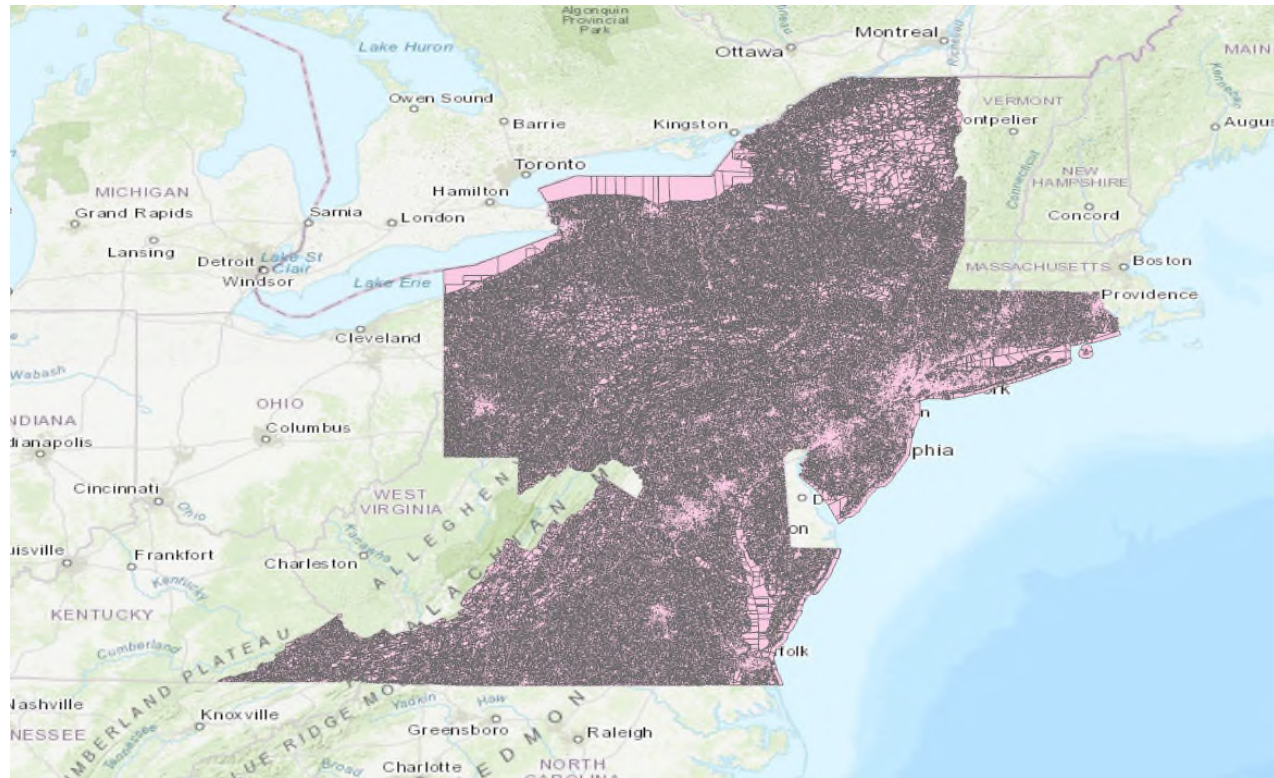
BarrierFree Example

- BarrierFree Form 477 Filing Summary:
 - Census blocks: Nearly 1.5 million
 - Customers: 62 million
 - States: 7 + DC
 - CT, MD, NJ, NY, PA, RI, VA and DC
 - Claimed broadband speed: 940 Mbps/880 Mbps
 - Both Fiber-to-the-Home (FTTH) and Fixed Wireless (FW)

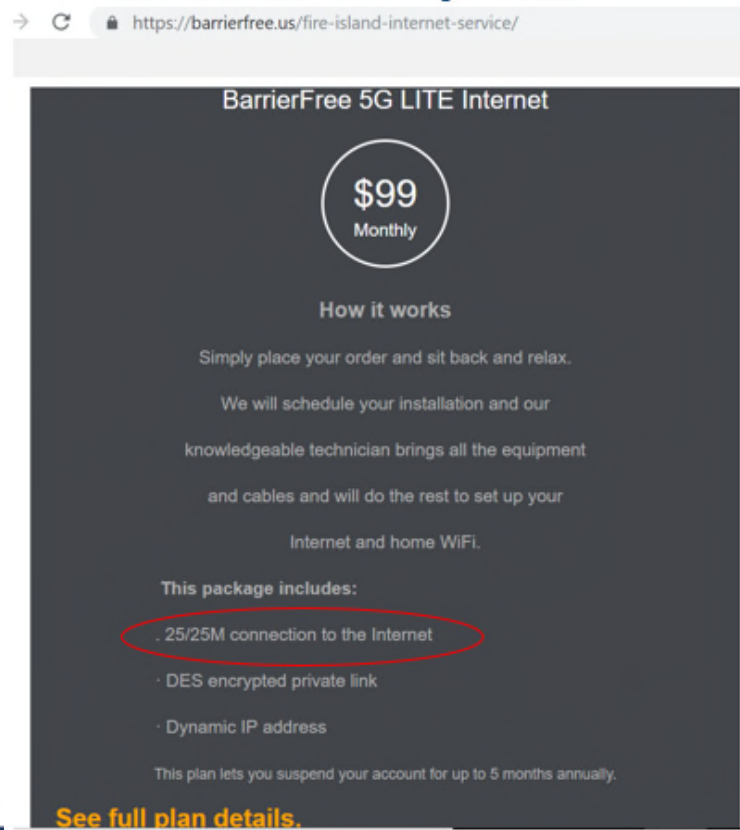


BarrierFree Coverage Based on Form 477 Data

- Hinder broadband deployment in as many as 7 states
 - Eliminates possibility of carriers receiving A-CAM II
- May subject RoR carriers to future unwarranted loss of support



BarrierFree Website



- “There is indeed an error in the Form 477 filings for BarrierFree, and it doesn't reflect our current level of broadband deployment”
 - Jim Gerbig, BarrierFree COO (Ars Technica)

OSS-Based Errors

- A provider's Operational Support System (OSS) often tracks customers that move out of area (for capital credit or other reasons)
- These OSS issues result in Form 477 errors since these customers continue to be considered "served" based on the broadband availability at their previous location
 - This results in the customer's new census block being considered "served" by an unsubsidized competitor
 - Can result in lower A-CAM II offer or future lost RoR support



Errors with Special Circumstances – Defunct Companies

- Breeze Broadband Communications, Inc. (Breeze) filed December 2017 Form 477 data claiming service in Iowa
 - 8,300 census blocks in IA covering 26 study areas
 - Including 15 ILEC study areas that are A-CAM II eligible
 - 7,149 locations in 1,404 census blocks
- Breeze ceased operations as a broadband provider in 2018



February 27, 2019

Vicki Anderson
Webster-Calhoun Cooperative Telephone Assoc.
1106 Beek Street
Gowrie, IA 50543

RE: Breeze Broadband Communication, Inc. Operations

To whom it may concern:

Please let this letter serve as notice Breeze Broadband Communications, Inc. discontinued operations on November 1, 2018. Breeze Broadband Communications, Inc. is no longer offering any type of internet service.

Please do not hesitate to contact me with any questions.

Sincerely

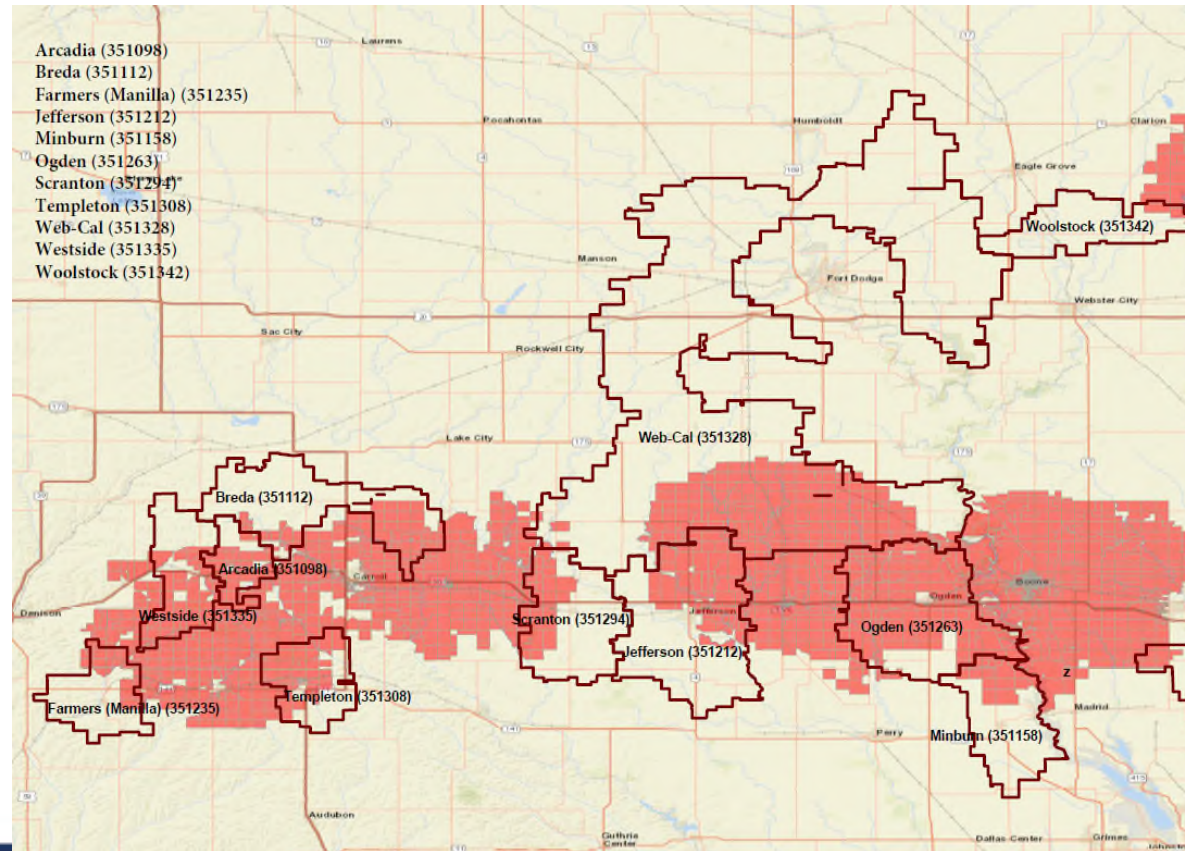
A handwritten signature in blue ink, appearing to read "John A. Menicucci, Jr.", is written over a horizontal line.

John A. Menicucci, Jr.
Secretary
Breeze Broadband Communications, Inc.

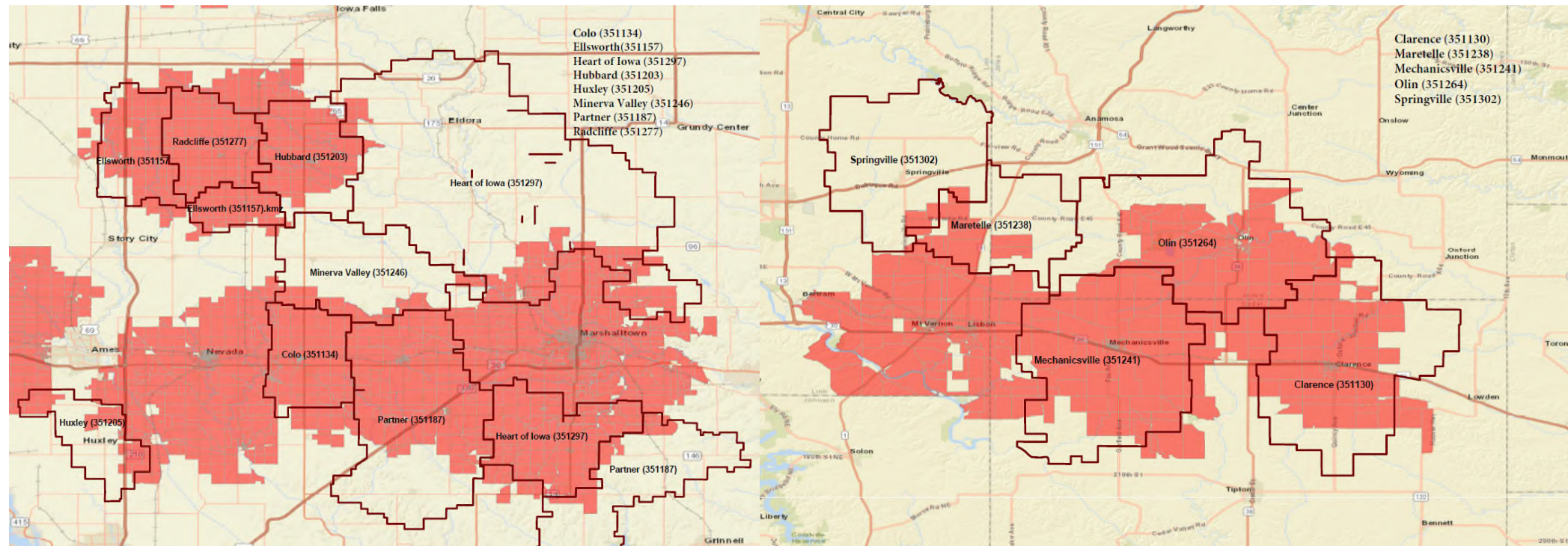


Form 477 Data for Breeze

- Breeze reported coverage in Iowa
 - 15 A-CAM II eligible carriers have partial or complete overlap



Form 477 Data for Breeze



Short-term Form 477 Recommendations

- Allow corrections and updates to Form 477 data used for A-CAM II
 - Possibly 30-45 day window for updates
 - Accept changes from providers willing to update their filing(s) or certify the filing was not correct
 - Eliminate providers no longer offering service so that they do not impact A-CAM II offers
- May result in short delay in A-CAM II offers to allow Form 477 updates
- Investigate BarrierFree's 477 data and require corrections prior to deadline



Long-term Form 477 Recommendations

- More transparency needed for Form 477 filings, especially prior to FCC actions that will impact broadband deployment or provider support
- Census blocks with a single customer designated as having access to broadband should not be considered “served”
 - Can result in remaining customers in these census blocks never getting broadband
 - Consider a threshold such as two-thirds of customers must be served
- Well-defined challenge process to help ensure Form 477 data is correct
- Establish an audit mechanism and increase penalties for incorrect data
- Use FCC measured data rather than advertised speed, where possible

